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FISCAL IMPACT STATEMENT

LS 6592

BILL NUMBER: HB 1285

NOTE PREPARED: Dec 19, 2006

BILL AMENDED:

SUBJECT: License Agent Service Fees.

FIRST AUTHOR: Rep. Richardson

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill increases from \$0.75 to \$1.75 the service fee that is retained by agents of the Department of Natural Resources (DNR) for selling a hunting, trapping, or fishing license.

Effective Date: July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary:* There are 762 license retailers, 47 of which are DNR properties, and only 2 are county clerks (Crawford County and Marshall County). From January through November 28, 2006, the DNR had sold 862,584 licenses with net revenues of \$16.6 M. Information is not readily available with respect to how many licences are sold by retailers and the two counties versus the DNR. However, rough calculation based on the number of entities that sell the license indicate that revenues to the DNR would decrease by an estimated \$802,000.

License fee revenue is deposited into the Fish and Wildlife Fund, which is used to finance the operations of the DNR Division of Fish and Wildlife and the DNR Division of Law Enforcement.

Background Information: A total of 762 entities sell licenses. About 6% are sold by the DNR, with 0.2% sold by counties. Assuming that 93% are sold by retailers and assuming that the number of licenses sold are distributed proportionally among the three vendors, an estimated 802,203 licenses would be sold by retailers ($862,584 * 0.93 * \$1$). With the \$1 increase in the fee retained by the agent, DNR revenues would be reduced by an estimated \$802,203.

Explanation of Local Expenditures:

Explanation of Local Revenues: The county clerks in Crawford and Marshall Counties will collect additional revenue for selling DNR licenses. For each license that the counties sell, the revenue will increase by \$1. It is unknown at this time how many licenses were sold in Crawford and Marshall Counties. However, based on the assumptions listed above, the counties' revenue would increase by an estimated \$1,725 ($862,584 * .002 * \1).

The clerk of the circuit court in each county retains service fees from the sale of licenses sold by the clerk. Revenue from the service fees is paid into the county general fund.

State Agencies Affected: DNR.

Local Agencies Affected: Crawford and Marshall Counties.

Information Sources: DNR.

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